



PRESS RELEASE – Regulated information

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Spector Photo Group – Trading Update for first quarter of 2012

- **Retail Group:**
 - o **Continued lack of consumer confidence and closing of shops leads to decrease in revenue;**
 - o **REBITDA decreases from minus EUR 0.38 million to minus EUR 1.27 million;**
 - o **Restructuring plan being fully implemented.**

- **Imaging Group:**
 - o **Revenue decreases by 7.6% to EUR 10.57 million;**
 - o **Increase in revenues from digital mail-order activities;**
 - o **REBITDA changes from EUR 0.43 million to minus EUR 0.47 million.**

Segment information from continuing activities

Unaudited figures prepared in accordance with IFRS

Reportable segments	(in €'000)	March 2011	March 2012	Δ in %
Revenue				
Retail		36 355	29 184	-19.7%
Imaging		11 435	10 569	-7.6%
Intersegment		- 127	- 129	-1.7%
Reconciliation		274	277	1.1%
Reconciliation intersegment		- 274	- 277	-1.1%
Total revenue reportable segments		47 663	39 625	-16.9%
REBITDA		- 35	- 1 827	-5092.3%
Retail		- 379	- 1 273	-235.6%
Imaging		430	- 473	-
Reconciliation		- 86	- 80	6.4%

Description of the financial position

The seasonal nature of both the Retail Group and the Imaging Group is the underlying reason for the change in the financial position.

Compared to December 2011, the total assets decreased by EUR 11.05 million and mainly concern a decrease in trade and other receivables of minus EUR 4.8 million, and a decrease in cash and cash equivalents of minus EUR 4.8 million.

The equity decreased by minus EUR 3.4 million, mainly due to the effect of the financial year's result. Changes are also attributable to the trade and other payables decreasing by EUR 5.7 million, and the current interest-bearing financial obligations decreasing by EUR 1.2 million.

These figures already include the change that has been announced in the press release of 8 May 2012 after exchange closes.

Description of the results

Retail Group

The Retail Group's revenue fell by 19.7% to EUR 29.18 million in 2012's first quarter. The retail operations in both Belgium and Luxembourg have had to deal with the continued lack of consumer confidence. Consumer confidence in Belgium in February 2012 even dropped to its lowest level since April 2009 (NBB – National Bank of Belgium).

As announced, another 4 unprofitable shops were closed in Belgium during this quarter. Another 2 shops will be closed during the second quarter of 2012.

These closures bring the total number of shops in Belgium to 81. The number of shops in Luxembourg remains stable at 17. In addition, Photo Hall and Hifi International each have their own online shop.

The decrease in revenues remained limited in Luxembourg. Several product groups showed an increase in revenues.

Already in the first months of 2012, which are traditionally less important in terms of revenue and profitability due to seasonal effects, there was a noticeable positive effect of the restructuring measures taken in 2011 for Photo Hall Belgium.

The REBITDA did indeed decrease by EUR 0.9 million, but taking into account the lower revenues of EUR 7.2 million, the decrease was limited due to the measures taken.

Imaging Group

The revenues showed a decrease of 7.6% in the first quarter of 2012 and amounted to EUR 10.57 million.

The decrease in revenues is mainly attributable to Filmobel, the wholesaler in photoproducts that, like the Retail Group, also had to deal with the continuing reluctance of consumers.

Mail order experienced a steady development of revenue, with the decrease in analogue being completely offset by the increase in digital. The photofinishing activities via the independent photographers, however, showed another decrease.

Revenues from digital mail order showed a slight increase. Besides a declining trend for photo prints, there was an increase in revenues from (digital) photo-related products, mainly photo books, photo cards, and gifts.

REBITDA changed from plus EUR 0.43 million to minus EUR 0.47 million. Due to the seasonal nature of the activities, the first quarter traditionally makes a loss.

Prospects

The prospects for the Retail Group remain very uncertain due to the economic situation. The positive effect of the restructuring measures taken in 2011 will also be visible in the second half of 2012.

The Imaging Group anticipates stabilisation of total revenues while retaining its profitability.

Spector Photo Group's profile

Spector Photo Group is a diversified multimedia and photo group with some 650 employees, operating in 15 European countries. Spector Photo Group's shares are traded on Euronext Brussels (ISIN BE000366748, stock code SPEC).

Spector Photo Group has two core activities that are structured into two separate divisions:

The Retail Group, which contains the retailing of consumer electronics and multimedia products under the brand names Photo Hall™ and Hifi International™. At the end of March 2012, the Retail Group had 98 shops spread across Belgium and the Grand Duchy of Luxembourg. The group also operates two e-commerce sales outlets. The Imaging Group's revenues represented 73.6% of the revenue from the group's continuing activities as at the end of March 2012.

The Imaging Group processes digital and analogue photographs into photo prints, photo calendars, photo diaries, photo books, photos on canvas, photo gifts, etc. Imaging uses smartphoto™ as its strategic brand for its mail-order service as well as for its partnership with specialised photographic businesses. The Imaging Group's revenues represented 26.4% of the revenue from group's continuing activities as at the end of March 2012.

Financial calendar

30 August 2012**	after exchange closes	Half-year results and Half-year financial report for 2012
25 October 2012**	after exchange closes	Trading Update for third quarter of 2012
7 March 2013**	before exchange opens	2012 Annual results
8 May 2013	before exchange opens	Trading update for first quarter of 2013

Definitions

REBITDA = Profit/loss (-) from operating activities before non-recurring items, adjusted for depreciation, amortisation, and provisions.

(*) This press communication contains forward-looking information that is based on the current internal estimates and expectations. The forward-looking statements contain inherent risks and only apply at the date on which they are communicated. It cannot be excluded that the actual results differ considerably from the forward-looking expectations that have been incorporated in this message.

(**) indicative dates

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This press release is an English translation of the official Dutch version.